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Embassy Has Corruption File

By George McArthur
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SAIGON—The U.S. congressional charges that South Vietnam's Maj. Gen. Ngo Dzu is directly involved in drug trafficking has caused a severe case of the jitters among ranking Americans in Saigon.

The charges come at a time when, the embassy is once again pushing a drive against corruption among South Vietnamese officials, high and low.

The embassy is uneasy about the Dzu case—and all the rest—because U.S. Ambassador Ellsworth Bunker and his military counterpart Gen. Creighton Abrams have detailed knowledge of enough hanky-panky to cause an uproar if it was published.

Among the most closely guarded secrets in the embassy's files are detailed reports covering the financial misdeeds of a vast array of South Vietnamese generals and civilian officials.

In an unguarded moment, one ranking American with many years in Vietnam once reported there were only two honest generals in the South Vietnamese army. One of them has since been killed and the other is Maj. Gen. Ngo Quang Truong who commands the IV Corps area comprising the Mekong Delta region.

And another American with access to the files added, "They are all in it and if they are not personally involved their wives are."

While such sweeping statements are probably overdrawn, they do reflect accurately the views of knowledgeable people who have long grappled with the problem of corruption in South Vietnam.

Mountain of Charges

Over the years American advisors have funneled into the embassy a mountain of detailed charges, all labeled top secret in the interest of maintaining relationships with the Saigon government. These have been compiled by military officers, civilians working in the police and pacification programs and representatives of the Central Intelligence Agency. They include reports on

everyone from district officials to generals working in the Joint General Staff and advisers to President Nguyen Van Thieu.

Privately, Americans will sometimes point the finger at individuals—such as the current chief of Bac Lieu Province in the delta who is a distant relative of the president and renowned for corruption.

Officially, however, the American establishment has refused to name names.

In the early days of the war the frequent excuse was that it was useless to get a man removed if his replacement would be worse—and that was frequently the case.

In later years it has become embassy policy to avoid getting into any public discussions of corruption beyond admitting that it was a problem supposedly getting continuing study.

This policy was strengthened within the establishment by the belief that a public airing of corruption charges would upset the Saigon regime without necessarily getting rid of anyone.

President Thieu has been notably cautious in moving against any general on corruption charges and although some have been removed they have almost inevitably cropped up again somewhere else.

Notable Stiffening

The mounting narcotics problem in Vietnam, however, has caused a notable stiffening within the U.S. embassy and also within President Thieu's official establishment.

American officials say that the Saigon government has been told that heroin trafficking is the one crime that cannot be tolerated. There is some evidence that the South Vietnamese generals and other officials have gotten this message.

One American official who admits that some generals may have been involved in past heroin smuggling says that they have now dropped it.

This official says that some Vietnamese officers, particularly in the air force, are involved in a certain amount of opium smuggling -- which

was more or less socially acceptable in Vietnam. They did not initially realize that raw heroin would eventually touch a very raw American nerve.

About six months ago, one official says, the South Vietnamese also began to realize that heroin was a threat to their own people.

Now, the embassy claims it is getting full support from President Thieu and lesser officials in a major, nationwide drug crackdown.

This crackdown has been impressive in terms of heroin and other drugs seized and minor pushers and smugglers arrested. It has not, however, resulted in arrest or charges against anyone of importance.

Whether Dzu was involved in drug trafficking cannot be proved by any evidence made public, despite the charges made by Rep. Robert M. Steele (R-Conn.).

Dzu, who commands the 12 provinces making up what is known as II Corps in the Central Highlands area, denies the charges.

Dzu has been supported by his American advisers, John Paul Vann, who has more experience in South Vietnam than any other senior member of the American establishment. Vann said he had "every reason to believe he is innocent" of the drug charges.

It is a fact, however, that the city which is corps headquarters, Nhatrang, is the center of drug trafficking in South Vietnam. This is possibly because it is the major headquarters for the South Vietnamese air force—an item that has been used in the past to link Vice President Nguyen Cao Ky, the former air marshal who still retains de facto control of the air force, with the heroin traffic.

Though Ky has vehemently denied this, it is widely accepted in South Vietnam that he was involved in the old opium trade until he decided to brush up his public image.

Dzu was already on shaky ground when the drug charges cropped up. He was in Saigon to seek a personal meeting with President Thieu.

Only three weeks ago Dzu was the target of some widely publicized anonymous letters charging him with accepting bribes, looting U.S. supplies and making grandiose battle claims.

At that time, Dzu sent a transport plane 200 miles to Saigon to pick up a party of newsmen and fly them to Nhatrang for a news conference.

Flanked by his staff officers, Dzu denied everything. Rep. Steele, in making his charges, predicted that the Saigon government would crack down on Dzu. Steele said his information came from intelligence reports that were also in the possession of Ambassador Bunker.

In Washington, State Department spokesmen Charles Bray replied to this that the South Vietnamese were in possession of any information about drugs which the embassy had.

While making no direct comment about Dzu, Bray implied that it was now up to the Saigon government to take action.

In Saigon, U.S. press spokesmen would say nothing beyond Bray's noncommittal remarks.

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